

CITY COUNCIL AGENDA

JUNE 26, 2007

SYNOPSIS

PETE CONSTANT
FORREST WILLIAMS
SAM LICCARDO
KANSEN CHU
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED MAYOR

PIERLUIGI OLIVERIO
MADISON P. NGUYEN
JUDY CHIRCO
NANCY PYLE

DISTRICT 6
DISTRICT 7
DAVID D CORTESI, VICE MAYOR DISTRICT 8
DISTRICT 9
DISTRICT 10

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- ***Strategic Support Services*** — The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- ***Community & Economic Development*** — Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- ***Neighborhood Services*** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- ***Transportation & Aviation Services*** — A safe and efficient transportation system that contributes to the livability and economic health of the City; and provide for the air transportation needs of the community and the region at levels that is acceptable to the community.
- ***Environment and Utility Services*** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- ***Public Safety Services*** — Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

Items listed in Section 9 require approval of both the City Council and the San José Redevelopment Agency Board.

You may speak to the City Council about any item that is on the agenda, and you may also speak on items that are not on the agenda during Open Forum. If you wish to speak to the City Council, please refer to the following guidelines:

- **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item(s) that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
- When the Council reaches your item on the agenda, Mayor Reed will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City Clerk's table.
- Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
- To assist you in tracking your speaking time, there is a display on the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and every first and third Tuesday at 7 p.m., unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas and Staff Reports for City Council items may be viewed on the Internet at www.sanjoseca.gov/clerk/agenda.asp. Council Meetings are televised live and rebroadcast on Channel 26.

To arrange an accommodation under the Americans with Disabilities Act to participate in this public meeting, please call (408) 535-1260 or (408) 294-9337 (TTY) at least two business days before the meeting.

On occasion the City Council may consider agenda items out of order.

- **Call to Order and Roll Call**
9:01 a.m. - Closed Session, Call to Order in Council Chambers
Absent Council Members: None.

1:34 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Members: None.
- **Invocation (District 6)**
Father Paolo Gobbo, Saint Christopher Church presented an inspirational prayer.
- **Pledge of Allegiance**
Mayor Reed led the Pledge of Allegiance.
- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved, with Ceremonial Item 1.3 deferred to a future date and Items 2.1, 3.1, 3.9 and 3.10 deferred to 8/7/07.
- **Closed Session Report**
City Attorney Doyle disclosed the following Closed Session action(s) of June 26, 2007:
 - A. **Authority to Pursue Appellate Review in a Litigation Case:**

Case Name: Naymark, et al, v. City of San José, et al.

Adverse Party or parties: Janice and Ronald Naymark

Substance of Litigation: Expenditure of public money with regard to the Police Department's compliance with the Public Records Act.

Council Vote: Ayes: Campos, Chirco, Chu, Constant, Cortese, Liccardo, Nguyen, Oliverio, Pyle, Williams; Reed.

Noes: None.
Disqualified: None.
Absent: None.

1. CEREMONIAL ITEMS

- 1.1 Presentation of a proclamation declaring the month of July 2007 as National Recreation and Parks month. (Parks, Recreation and Neighborhood Services)
Mayor Reed and Director of Parks, Recreation and Neighborhood Services Albert Balagso recognized the month of July 2007 as “National Recreation and Parks Month” in the City of San José.
- 1.2 Presentation of a commendation to the Mt. Pleasant High School girls track team upon winning the State Track and Field Championship. (Campos)
(Deferred from 6/19/07 – Item 1.1)
Mayor Reed and Council Member Campos recognized and commended the Mt. Pleasant High School girls track team for their outstanding achievements.
- 1.3 Presentation of a commendation to the 76th Grand Chapter of the Sigma Chi International Fraternity held June 28 through June 30, 2007. (Campos)
(Rules Committee referral 6/20/07)
Deferred per Council Member Campos.
- 1.4 Presentation of a commendation to the San José Convention and Visitors Bureau and the Santa Clara Chamber of Commerce and Convention – Visitors Bureau for their cooperative efforts to produce an economic impact report which highlights the potential economic benefits of a 49ers stadium in Santa Clara County. (Cortese)
(Rules Committee referral 6/20/07)
Mayor Reed and Vice Mayor Cortese recognized and commended the San José Convention and Visitors Bureau and the Santa Clara Chamber of Commerce and Convention Visitors Bureau for their cooperative efforts.
- 1.5 Presentation of a commendation to the Bellarmine College Preparatory track team upon winning the Central Coast Section in their division and to Coach Terry Ward upon his retirement from Bellarmine College Preparatory and his years of service to youth sports. (Mayor/Oliverio/Cortese/Liccardo)
(Rules Committee referral 6/20/07)
Mayor Reed, Vice Mayor Cortese and Council Members Liccardo and Oliverio recognized and commended the Bellarmine College Preparatory track team for their achievements and recognized Coach Terry Ward upon his retirement from Bellarmine College Preparatory and for his dedicated years of service to youth sports.

SPECIAL COMMENDATIONS

Mayor Reed recognized and commended City Manager Les White (30 years), Chief Deputy City Manager Kay Winer (10 years) and Budget Director Larry Lisenbee (21 years) for their outstanding dedication to the City of San José.

2. CONSENT CALENDAR

2.1 Approval of Minutes.

Recommendation: Approval of Minutes.

- (a) Regular Minutes of April 3, 2007
- (b) Regular Minutes of April 10, 2007
- (c) Regular Minutes of April 17, 2007
- (d) Joint City Council/Santa Clara Valley Water District Study Session Minutes on Water Quality Issues of April 20, 2007
- (e) Regular Minutes of April 24, 2007
- (f) Council Study Session Minutes on Evergreen East Hills Vision Strategy of April 30, 2007
- (g) Regular Minutes of May 1, 2007
- (h) Council Study Session Minutes on the General Plan Update of May 3, 2007
- (i) Regular Minutes of May 8, 2007
- (j) Regular Minutes of May 15, 2007
- (k) Regular Minutes of May 22, 2007
- (l) 2007-2008 Operating and Capital Budget; 2008-2012 Capital Improvement Program Study Session Minutes of May 7, 2007 through May 17, 2007
- (m) Minutes of the San José Financing Authority of May 22, 2007
- (n) Special Closed Session Minutes of May 29, 2007
- (o) Special Closed Session Minutes of May 30, 2007

Deferred to 8/7/07, per City Clerk under Orders of the Day.

2.2 Final adoption of ordinances.

Recommendation: Final adoption of ordinances.

- (a) ORD. NO. 28067 - Amending Sections 5.06.335, 5.06.340, 5.06.350, 5.06.356, 5.06.390 and 5.06.440 of Chapter 5.06 of Title 5 of the San José Municipal Code to make changes to the contract authority of the City Manager and Director of Housing for development of affordable housing relating to predevelopment loans, Council approved loans and grants, repayment of project loans, outside funding, rehabilitation and improvements to city-owned properties, accrued interest and loan workouts, and consultant agreements.

Ordinance No. 28067 adopted.

- (b) ORD. NO. 28072 - Establishing a limited pilot program to allow certain public eating establishments, drinking establishments and/or entertainment establishments located in an area generally bounded by Saint John Street, 4th Street, San Carlos Street, Market Street, San Fernando Street and San Pedro Street and that are legally operating until 2:00 a.m. the ability to remain in operation until 3:00 a.m. for a period of up to one hundred eighty days, all as more particularly described herein.

Ordinance No. 28072 adopted.

2. CONSENT CALENDAR

2.2 Final adoption of ordinances (Cont'd.)

- (c) ORD. NO. 28074 - Amending Title 12 of the San José Municipal Code to amend Chapters 12.10 and 12.12 to: increase the revolving door prohibition to two years; amend the definition of a lobbyist; create exemptions to the requirements of the lobbyist ordinance; prohibit or require disclosure of compensation contingent on the result of a proposed government action; require more specific disclosures in the lobbyist quarterly report; impose interest on the quarterly report late filing fee; add a new part to require officials to disclose contacts with lobbyists; and make other technical and clarifying changes.

Ordinance No. 28074 adopted.

- (d) ORD. NO. 28075 - Rezoning certain real properties situated on the northwest corner of Capitol Avenue and Berryessa Road (13441 Berryessa Road and 1141 North Capitol Avenue) to the CG Commercial General Zoning District. C07-023

Ordinance No. 28075 adopted.

- (e) ORD. NO. 28076 - Rezoning certain real property situated at the northwest corner of The Alameda and Stockton Avenue (155 Stockton Avenue) to the A(PD) Planned Development Zoning District. PDC06-064

Ordinance No. 28076 adopted.

- (f) ORD. NO. 28077 - Rezoning certain real property situated on the west side of Stone Avenue at the intersection with Ciminio Street (1999 Stone Avenue) to the HI-Heavy Industrial Zoning District. C07-022

Ordinance No. 28077 adopted.

- (g) ORD. NO. 28078 - Rezoning certain real property situated at the south side of Piercy Road, approximately 900 feet east of the intersection of Piercy Road and Tennant Avenue (725 Piercy Road) to OS - Open Space Zoning District. C07-030

Ordinance No. 28078 adopted.

- (h) ORD. NO. 28079 - Amending Title 7 of the San José Municipal Code in its entirety, relating to animal care and control.

Ordinance No. 28079 adopted.

Noes: Cortese, Oliverio.

- (j) ORD. NO. 28080 - Amending Section 1.08.020 of Chapter 1.08 of Title 1 of the San José Municipal code, which lists all infractions, to update the list of infraction.

Ordinance No. 28080 adopted.

2. CONSENT CALENDAR

2.3 Approval to extend an agreement to conduct marketing communications and customer service consulting services at the Airport.

Recommendation: Approval to exercise a third one-year option to extend the agreement with Barnestorming Advertising and Marketing Communications, to conduct marketing communications and customer service consulting services for the Norman Y. Mineta San José International Airport for the period July 1, 2007 through June 30, 2008 in an amount not to exceed \$185,000, within the original not-to-exceed contract amount of \$740,000.

CEQA: Resolution Nos. 67380 and 71451, File No. PP07-057. (Airport)

Approved.

Disqualified: Chu.

2.4 Approval to establish fees, rental rates and charges at the Airport.

Recommendation: Adoption of two resolutions:

- (a) Establishing fees, rental rates and charges for use of land, paved areas and structures at the Norman Y. Mineta San José International Airport, Airport parking rates, permit fees and charges for ground transportation providers, permit fees and charges for off-Airport rental car companies, fees and charges for technology services provided by the City to tenants at the Airport, and rates and fares for the operation of taxicabs at the Airport, and repealing Resolution Nos. 59614, 59857, 59988, 60081, 62781, 62790, 63461, 65335, 69512, 70866, 71251, 71336, 71647, 71746, 72250, 72687 and the new Airport Parking resolution.

Resolution No. 73885 adopted.

- (b) Establishing rates and fares for the operation of taxicabs in all areas in the City of San José outside the Airport.

CEQA: Resolution Nos. 67380 and 71451, File No. PP 07-052. (Airport)

Resolution No. 73886 adopted.

2.5 Approval of an agreement for deployment of law enforcement officers at the Airport.

Recommendation: Adoption of a resolution authorizing the City Manager to apply for federal funding, and execute a Cooperative Agreement with the Transportation Security Administration to fund eligible costs for deployment of law enforcement officers at each airport passenger-screening location at the Norman Y. Mineta San José International Airport in the estimated amounts in excess of the City Manager's contract authority of approximately \$1,109,000 per year or approximately \$5,545,000 for the period October 1, 2007 to September 30, 2012. CEQA: Not a Project. (Airport)

Resolution No. 73887 adopted.

2. CONSENT CALENDAR

2.6 Acceptance of the Office of the City Auditor's Report.

Recommendation: Acceptance of the Office of the City Auditor's *Report of Activities and Findings for the Period April 16, 2007 through May 15, 2007*. (City Auditor)
(Rules Committee referral 6/13/07)

Report Accepted.

2.7 Request to Extend Term of Office – Elections Commission Recommendation.

Recommendation: That the City Council reappoint Elections Commission Vice Chair Fred de Funiak for a four year term that expires March 1, 2011. (City Clerk)
(Rules Committee referral 6/13/07)

Approved.

2.8 Approval of Federal Legislative Representation Services in Washington D.C.

Recommendation:

- (a) Approval to exercise the last option of an agreement with Patton Boggs LLP, from July 1, 2007 to June 30, 2008, in the amount of \$127,500;
- (b) Approval of an amendment to the agreement with Patton Boggs LLP to add an additional option period of six months from July 1, 2008 to December 31, 2008, in the amount of \$63,750 for the purposes of completing the Congressional Appropriations cycle and continued federal lobbying during the 110th Session.
- (c) Approval for the City Manager's Office to draft and submit a Request for Qualifications (RFQ) for legislative representation services in Washington D.C. for services commencing January 1, 2009 through June 30, 2013.

CEQA: Not a Project. (City Manager's Office)

Approved.

2.9 Approval of fiscal actions for Redevelopment Agency Capital Projects.

Recommendation:

- (a) Adoption of the following Appropriation Ordinance and Funding Sources Resolution amendments in the Services for Redevelopment Capital Projects Fund (Cityside Redevelopment Fund) for 2007-2008:
 - (1) Increase the estimate for Earned Revenue by \$50,000.
 - (2) Establish an appropriation to the General Services Department for the Demolition of Welch Park Playground project (PSM #488) in the amount of \$50,000.

Ordinance No. 28081 adopted.

Resolution No. 73888 adopted.

(Item continued on the next page)

2. CONSENT CALENDAR

2.9 Approval of fiscal actions for Redevelopment Agency Capital Projects (Cont'd.)

- (b) Adoption of a resolution making certain determinations regarding the related expenditure of Redevelopment Agency funds on certain public improvements in connection with the Demolition of Welch Park Playground project.

CEQA: Not a Project. (City Manager's Office/General Services)

Resolution No. 73889 adopted.

2.10 Approval to amend an agreement for Operation and Maintenance of the Mexican Heritage Plaza.

Recommendation:

- (a) Approval of the fifth amendment to the agreement between the City and the Mexican Heritage Corporation (MHC) for the Operation and Maintenance of the Mexican Heritage Plaza to require MHC to comply with additional financial reporting requirements for the remainder of the term of the agreement.

Approved.

- (b) Adoption of a resolution authorizing the City Manager to advance a portion of the operation and maintenance support payments for Fiscal Year 2007-2008 to defray the cost of personnel assisting MHC with revenue generation and financial controls, and to suspend MHC's contributions to the reserve account for FY07-08.

CEQA: Not a Project. Council District 5. (City Manager's Office)

Resolution No. 73890 adopted.

2.11 Approval to extend the term for current members of the Strong Neighborhoods Initiative Project Advisory Committee.

Recommendation: Adoption of a resolution extending the Strong Neighborhoods Initiative Project Advisory Committee to March 31, 2008 and extending the term of the current members. CEQA: Not a Project. (City Manager's Office)

Resolution No. 73891 adopted.

2.12 Approval of actions related to artwork for the South San José Police Substation.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute an agreement with Mikyoung Kim to fabricate and install artwork for the South San José Police Substation in a total amount not to exceed \$340,000. CEQA: Mitigated Negative Declaration, File No. PP04-304. (Economic Development)

Resolution No. 73892 adopted.

2.13 Approval of an agreement with the San José Sports Authority.

Recommendation: Approval of an agreement with the San José Sports Authority for sports marketing services for the period July 1, 2007 to June 30, 2011, in an amount not to exceed \$608,895 for FY 2007-2008. CEQA: Not a Project. (Economic Development)

Approved.

2. CONSENT CALENDAR

2.14 Approval of actions to related to the Rock ‘n’ Roll Half Marathon.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute a grant agreement with Elite Racing, Inc. for a Rock ‘n’ Roll Half Marathon within the City of San José to be held on Sunday, October 14, 2007, in an amount not to exceed \$180,500. CEQA: Exempt, File No. PP05-170. Council Districts 3 and 6.
(Economic Development)

Resolution No. 73893 adopted.

2.15 Approval of fiscal actions related to the 2007-2008 Arts Programs.

Recommendation: Approval of Arts Commission recommendation, subject to approval of the 2007-2008 Proposed Operating Budget, to:

- (a) Allocate 2007-2008 funds to the Office of Cultural Affairs arts and cultural programs, projects, grants, activities and support (“Arts Budget”), in a total amount not to exceed \$4,474,371; and

Approved.

- (b) Adoption of a resolution authorizing the City Manager to negotiate and execute 2007-2008 grant agreements as follows:
 - (1) Festival, Parade and Celebration Grant Agreements with 25 organizations for 34 events, in a total amount not to exceed \$413,194; and
 - (2) Arts Grant Agreements with 51 organizations, in a total amount not to exceed \$2,432,206.

CEQA: Not a Project. (Economic Development)

Resolution No. 73894 adopted.

2.16 Approval of fiscal actions related to the 2006 Super Urban Area Security Initiative grant.

Recommendation:

- (a) Adoption of the following amendments to the 2007-2008 Appropriation Ordinance and Funding Sources Resolution in the General Fund:
 - (1) Increase existing appropriation #3486 to Police in City-Wide Expenses for the 2006 SUASI grant in the amount of \$278,981 where \$12,314 will be used for one Police Lieutenant on the SUASI Management Team to support regional planning and \$266,667 will be used to establish a Terrorism Early Warning Group (TEWG) for the South Bay.
 - (2) Establish an appropriation to OES in City-Wide Expenses for the 2006 State Homeland Security Grant Program (SHSGP) in the amount of \$45,444 to support the San José *Prepared!* program.
 - (3) Increase the estimate for Revenue from the federal government by a total of \$324,425.

Ordinance No. 28082 adopted.

Resolution No. 73895 adopted.

2. CONSENT CALENDAR

2.16 Approval of fiscal actions related to the 2006 Super Urban Area Security Initiative grant (Cont'd.)

- (b) Adoption of a resolution authorizing the City Manager to negotiate and execute separate Memoranda of Understanding (MOU) to accept program funds from:
 - (1) City and County of San Francisco as the fiscal agent for the FY 2006 Super Urban Area Security Initiative (SUASI) grant.
 - (2) Santa Clara County as the fiscal agent for the FY 2006 State Homeland Security Grant Program (SHSGP).
 - (3) Authorize the City Manager to amend MOUs as necessary without return to Council, in the event that additional funds become available to the City of San José from either the 2006 SUASI grant or the 2006 SHSGP grant, or spending plans need to change.

Resolution No. 73896 adopted.

- (c) Adoption of a resolution authorizing the City Manager to amend the existing Memorandum of Understanding (MOU) with Santa Clara County to provide an additional \$150,000 from the FY 2005 UASI grant to Santa Clara County to support project management and installation of the Tri-County Microwave (TriMac) project, to extend the deadline from March 1, 2007 to July 31, 2007, and to undertake any additional amendments without return to Council.

CEQA: Not a Project. (Emergency Services/City Manager's Office)

Resolution No. 73897 adopted.

2.17 Approval to amend the agreement for Operations and Maintenance of the Converged Network and Telephony System.

Recommendation: Adoption of a resolution authorizing the Director of Finance to:

- (a) Execute the third amendment to the agreement for the Operations & Maintenance of the Converged Network and Telephony System with Nortel Networks, Inc. to reduce the on-site representatives from three to one, resulting in a decrease of annual compensation by \$460,000 from \$1,260,000 to a not to exceed compensation of \$800,000 for the maintenance period beginning July 1, 2007 and ending June 30, 2008.
- (b) Negotiate and execute further amendments, as necessary, to reflect the City's needs for Nortel services, subject to appropriation of funds.

CEQA: Not a Project. (Finance)

Resolution No. 73898 adopted.

2. CONSENT CALENDAR

2.18 Approval of an agreement for Elevator and Escalator Maintenance at the Airport.

Recommendation: Adoption of a resolution authorizing the Director of Finance to:

- (a) Execute an agreement with Schindler Elevator Corporation for elevator and escalator maintenance services for the Norman Y. Mineta San José International Airport for one year at a cost of \$190,800 and approved supplemental funds of \$10,000 to pay for unscheduled work and authority to add or delete maintenance for elevators and escalators as required, for a total first year cost not to exceed \$200,800.
- (b) Execute four one-year options to renew the agreement subject to annual Consumer Price Index adjustments and annual appropriations.

CEQA: Not a Project. (Finance)

Resolution No. 73899 adopted.

2.19 Approval to award Open Purchase Orders.

Recommendation:

- (a) Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2006-2007 #22 and authorization for the Director of Finance to execute the purchase orders.
- (b) Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2007-2008 #1 and authorization for the Director of Finance to execute the purchase orders.

CEQA: See Administration's Memorandum to Council for specific CEQA clearance determinations on each recommended action.

(Finance)

Approved.

2.20 Report on bids and award of contract to purchase three Fire Engine Apparatus.

Recommendation: Report on bids and award the purchase of three (3) 1500 GPM (gallon per minute) Fire Engine Apparatus to the lowest responsive bidder, Hi-Tech Emergency Vehicle Service, Inc., for a total not to exceed amount of \$1,489,496 including taxes and fees and authorize the Director of Finance to:

- (a) Execute the purchase order;
- (b) Amend the initial purchase order to purchase additional quantities of 1500 GPM Fire Engine Apparatus on an as-required basis at the same unit pricing subject to appropriation of funding; and
- (c) Execute purchase orders to acquire additional quantities for two additional years subject to manufacturer's price increase and appropriation of funding.

CEQA: Not a Project. (Finance)

Approved.

2. CONSENT CALENDAR

2.21 Approval of a donation to the Happy Hollow Corporation for Happy Hollow Park & Zoo.

Recommendation: Adoption of a resolution authorizing the Director of Finance to donate surplus City Personal property located at Happy Hollow Park & Zoo with an estimated value of \$69,800 to the Happy Hollow Corporation, a non-profit corporation, for the purpose of resale to raise funds for the renovation of Happy Hollow Park & Zoo. CEQA: Not a Project. (Finance/Parks, Recreation and Neighborhood Services)

Resolution No. 73900 adopted.

2.22 Approval of actions related to a Transportation Fund for Clean Air Grant.

Recommendation: Adoption of a resolution authorizing the City Manager to submit a grant application and letter of commitment to the Bay Area Air Quality Management District in the amount of \$240,000 to support the efforts of General Services Fleet Management in greening the City's vehicle fleet, to accept the grant if awarded, and to execute a grant agreement accepting the grant and any collateral documents. CEQA: Not a Project. (General Services/ Environmental Services)

Resolution No. 73901 adopted.

2.23 Approval to amend the Housing Services Partnership Contract.

Recommendation: Adoption of a resolution:

- (a) Approving a 12-month extension to the Housing Services Partnership contract to provide homeless services on behalf of the City from July 1, 2007 through June 30, 2008;
- (b) Approving an increase in the Housing Services Partnership contract in an amount of \$1,284,943, from \$2,247,879 to \$3,532,822 to cover the cost of services provided through June 30, 2008;
- (c) Authorizing the Director of Housing to negotiate and execute all necessary documents.

CEQA: Not a Project. (Housing)

Resolution No. 73902 adopted.

2.24 Approval of the staff's response to the Civil Grand Jury's Report on the City's Supplemental Military Leave Policy.

Recommendation: Acceptance of staff's response to the Civil Grand Jury Report regarding the City's Supplemental Military Leave Policy. CEQA: Not a Project. (Human Resources)

Accepted.

2. CONSENT CALENDAR

2.25 Approval of Mayor Reed's Travel to Washington, D.C.

Recommendation: Approval of Mayor Reed's travel to Washington, D.C. on June 6-10, 2007 for Silicon Valley Leadership Group trip and scheduled meetings with Federal elected officials. Source of Funds: Mayor's Office. (Mayor)
(Rules Committee referral 6/6/07)

Approved.

2.26 Approval of actions for engineering services for the Penitencia Creek Bridge and Stream Bank Repair Projects in Alum Rock Park.

Recommendation:

- (a) Approval of an exemption from the Qualifications-Based Consultant Selection Policy with regard to the selection of Winzler & Kelly Consulting Engineers to provide engineering services for Upper Penitencia Creek Bridge and Stream Bank Repair Projects in Alum Rock Park.
- (b) Approval of an agreement with Winzler & Kelly Consulting Engineers for consultant services to design engineering solutions to repair Upper Penitencia Creek stream damage in Alum Rock Park from the date of execution to March 1, 2008, in an amount not to exceed \$300,000.

CEQA: Not a Project. (Parks, Recreation and Neighborhood Services)

Approved.

2.27 Approval of actions related to 2007-2008 Parks, Recreations and Neighborhood Services Agreements.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute all of the following agreements, subject to the appropriation of funds by City Council, and on such terms and conditions as deemed appropriate by the City Manager:

- (a) Agreements and amendments to agreements, for Parks, Recreation and Neighborhood Services Department programs identified on the attachment, consistent with the amounts budgeted for these programs in the adopted budget for FY 2007-08.
- (b) Agreements and amendments to agreements, accepting grant funds from the County of Santa Clara for provision of mental health services and senior nutrition programs, in amounts consistent with budgeted amounts in the adopted budget for FY 2007-08.
- (c) A three-month extension of the agreement with the County of Santa Clara of the Senior Nutrition Agreement into the first three months of FY 2007-08 and to accept grant funds for that period in amounts consistent with budgeted amounts in the adopted budget for FY 2007-08, until a new agreement for FY 2007-08 is finalized with the County.

(Item continued on the next page)

2. CONSENT CALENDAR

2.27 Approval of actions related to 2007-2008 Parks, Recreations and Neighborhood Services Agreements (Cont'd.)

- (d) A second amendment to the County of Santa Clara 2001-02 Mental Health agreement to accept additional funding of \$85,828 due to an underpayment to the City which was identified through County's audit-reconciliation of records.
- (e) Designate the Director of Parks, Recreation and Neighborhood Services to negotiate and execute all contracts and amendments in FY 2007-08 related to the following grant programs for that period in amounts consistent with budgeted amounts in the adopted budget for FY 2007-08, and further authorizing the Director to execute amendments to the following grant agreements during the FY 2007-08, subject to appropriation of funds by City Council: Bringing Everyone's Strengths Together (BEST), Healthy Neighborhood Venture Funds (HNVF) and San José After School Program (SJAS).

CEQA: Exempt, File No. PP02-370. (Parks, Recreation and Neighborhood Services)
Resolution No. 73903 adopted.

2.28 Approval to amend an agreement for consulting services for the Integrated Development Tracking System.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute a second amendment to the consultant agreement with CSDC Systems, Incorporated for technical consulting services related to the AMANDA permit software and other Integrated Development Tracking System software, extending the term from July 1, 2007 to December 30, 2008, with no change to the original contract amount.

CEQA: Not a Project. (Planning, Building and Code Enforcement).

Resolution No. 73904 adopted.

2.29 Approval to submit an application to the FOCUS Program to designate Special Strategy and Specific Plan Areas.

Recommendation: Adoption of a resolution to submit an application to the FOCUS program to designate Special Strategy Areas and Specific Plan/Planned Community areas identified in the San José 2020 General Plan to be regional priority development areas.

CEQA: Resolution No. 65459. (Planning, Building and Code Enforcement)

Resolution No. 73905 adopted.

2.30 Approval to amend the PDO/PIO Schedule of In-Lieu Fees Charged and Credits Issued.

Recommendation: Adoption of a resolution to amend the resolution setting forth the Schedule of In-Lieu Fees Charged and Credits Issued Pursuant to Chapters 14.25 (Park Impact Ordinance) and 19.38 (Parkland Dedication Ordinance) of the San José Municipal Code (Fees and Credits Resolution), in order to modify the definition of "projects in process". CEQA: Resolution No. 65459. (Planning, Building and Code Enforcement)

Resolution No. 73906 adopted, with Staff requested to inventory the projects and look at the differential of the old park fees versus the new park fees.

2. CONSENT CALENDAR

2.31 Approval to amend the provisions for domestic partners' benefits in the Police and Fire Departments Retirement Plan.

Recommendation: Approval of an ordinance amending Section 18 of Ordinance No. 27712 to revise the transition provisions relating to domestic partners' benefits in the Police and Fire Department Retirement Plan. CEQA: Not a Project. (Police and Fire Retirement Board)

Ordinance No. 28083 passed for publication.

2.32 Approval of actions related to sale of a Water Line Easement.

Recommendation: Adoption of a resolution authorizing the sale of a water line easement over a City-owned landfill along South 22nd Street to KB Homes South Bay in the amount of \$159,733 for the installation and extension of a water line to the existing Forestdale Avenue waterline; and authorizing the Director of Public Works to execute all documents necessary to complete transfer of the easement. CEQA: Mitigated Negative Declaration, File No. PP07-080. Council District 3. (Public Works)

Resolution No. 73907 adopted.

2.33 Approval of an agreement for telecommunication services and equipment at the Airport.

Recommendation:

- (a) Adoption of a resolution authorizing the Director of Public Works to negotiate and execute a Tariff Agreement with AT&T to provide telecommunications services and equipment for the Norman Y. Mineta San José International Airport in an amount not to exceed \$400,000.

Resolution No. 73908 adopted.

- (b) Adoption of a resolution authorizing the Director of Finance to negotiate and execute an accompanying non-tariff agreement based on the State of California CalNet agreement for circuit relocation and reconnection in an amount not to exceed \$600,000.

CEQA: Resolution Nos. 67380 and 71451. (Public Works/Finance)

Resolution No. 73909 adopted.

2.34 Approval of an agreement for the FEMA Levee Recertification and Floodplain Remapping.

Recommendation: Adoption of a resolution authorizing the Director of Public Works to execute the "Letter of Agreement and Request for Provisionally Accredited Levee Designation and Agreement to Provide Adequate Compliance with the Code of Federal Regulations, Title 44, Section 65.10 (44 CFR 65.10)" or "PAL Agreement" on behalf of the City for submission to FEMA for the Coyote Creek Levee extending from Trimble Road to the Water Pollution Control Plant. CEQA: Not a Project. (Public Works)

Resolution No. 73910 adopted.

2. CONSENT CALENDAR

2.35 Approval to declare and auction seven “surplus” parcels of City-owned property.

Recommendation: Adoption of a resolution:

- (a) Declaring the following seven parcels of City-owned property surplus to the needs of the City:
 - (1) 20399 Almaden Road APN No. 583-13-013
 - (2) 510 Park Avenue APN No. 259-47-081
 - (3) 460 Park Avenue APN No. 259-46-097
 - (4) Bird Avenue N. of Fuller APN No. 264-43-018
 - (5) 1360 State Street APN No. 015-12-091
 - (6) 1015 S. Bascom Avenue APN No. 282-11-014
 - (7) 1015 S. Bascom Avenue APN No. 282-11-015
- (b) Authorizing the publication and auction of those seven City-owned properties.

No action taken. Staff directed to:

- (1) **Return to Council by October 16, 2007, with a full report outlining the properties, discussion of the process, and how Staff disposes of surplus properties.**
- (2) **Conduct extensive community outreach regarding surplus City-owned parcels.**
- (3) **Continue to keep Council informed of all surplus properties in each district.**

2.36 Approval of actions related to the use of City-owned property at 110 E. Jackson Street.

Recommendation:

- (a) Authorization for the termination of the existing agreement with Boy’s and Girl’s Club of Silicon Valley for their use of the City-owned property located at 110 E. Jackson Street.

Approved, with Staff directed to return with a specific appropriation action to transfer \$50,000 from the District 3 Construction and Conveyance funds to the Capital Improvements for the Boy’s and Girl’s Club, as requested by Council Member Liccardo.

- (b) Approval of a lease agreement with Yu-Ai-Kai Japanese American Community Senior Services for the use of City-owned property located at 110 E. Jackson Street for an initial term of 5 years with an automatic extension for an additional ten-year term.

CEQA: Exempt, File No. PP07-108. (Public Works)

Approved.

2. CONSENT CALENDAR

2.37 Approval of an agreement to quitclaim a portion of a parcel beneath Gardner Elementary School.

Recommendation: Approval of an agreement between the City of San José and San José Unified School District to quitclaim a portion of parcel 264-18-047 beneath Gardner Elementary School in order to correct a historical title irregularity. CEQA: Not a Project. (Public Works)

Approved.

2.38 Approval of an agreement for the use of City-owned property at 3322 Noble Avenue.

Recommendation: Approval of a lease agreement with Santa Clara County Office of Education for the use of City-owned property located at 3322 Noble Avenue for a term of less than 3 years. CEQA: Not a Project. Council District 4. (Public Works)

Dropped per Mayor and Council District 4.

2.39 Approval to submit a grant application for a Pedestrian Corridor Project.

Recommendation: Adoption of a resolution authorizing the City Manager to execute and submit a grant application to the Metropolitan Transportation Commission in the amount of \$1,625,000 for the Hensley Historic District portion of the San José State University to Japantown Pedestrian Corridor project, to accept the grant if awarded, and to execute all documents necessary to effectuate the grant. CEQA: Negative Declaration, File Nos. PP02-05-115 and PP04-293. Council District 3. SNI: Thirteenth Street. (Transportation)

Resolution No. 73912 adopted.

2.40 Approval of the installation of Bicycle Lanes on various street segments.

Recommendation: Adoption of a resolution authorizing the installation of bicycle lanes on the following street segments; and repealing Resolution No. 72813:

- (a) Aborn Road (White Road to east end).
- (b) Almaden Road (Almaden Expressway to McKean Road).
- (c) Camden Avenue (Coleman Road to Meridian Avenue).
- (d) Chynoweth Avenue (west end to 100' east of Barron Park Drive).
- (e) Coleman Avenue (Taylor Street to Santa Teresa Street).
- (f) Hamilton Avenue (Bascom Avenue to Leigh Avenue).
- (g) Nieman Boulevard (Blanding Avenue to Yerba Buena Road).
- (h) Quimby Road (Ruby Avenue to Murillo Avenue).
- (i) Ruby Avenue (Quimby Road to Aborn Road).
- (j) Taylor Street (Walnut Street to First Street).

CEQA: Exempt, File No. PP07-119. (Transportation).

Resolution No. 73913 adopted.

2. CONSENT CALENDAR

2.41 Approval of actions related to the VTA Bus Rapid Transit Line 522 Bus Signal Priority Upgrade Project.

Recommendation:

- (a) Adoption of a resolution authorizing the City Manager to negotiate and execute a grant funding agreement with the Santa Clara Valley Transportation Authority (VTA) that will provide grant funds to the City for the procurement and installation of new traffic signal controllers for the VTA Bus Rapid Transit Line 522 Bus Signal Priority (BSP) Upgrade project in an amount not to exceed \$295,000.

Resolution No. 73914 adopted.

- (b) Adoption of the following 2007-2008 Appropriation Ordinance and Funding Sources Resolution amendments in the Building and Structure Construction Tax Fund:
- (1) Establish an appropriation to the Department of Transportation for the ITS: VTA Rapid 522 Bus Signal Priority Upgrades in the amount of \$425,000.
- (2) Increase the estimate for Earned Revenue by \$295,000.
- (3) Decrease the ITS: Regional Signal Coordination appropriation by \$53,000.
- (4) Decrease the Ending Fund Balance by \$77,000.

CEQA: Not a Project. Council Districts 3 and 6. SNI: Thirteenth Street/Five Wounds/Brookwood Terrace. (Transportation/City Manager's Office)

Ordinance No. 28084 adopted.

Resolution No. 73915 adopted.

2.42 Report on bids and award of contract for the Street Resurfacing 2007 Backlog Reduction Projects, Phase 2.

Recommendation: Report on bids and award of contract for the Street Resurfacing 2007 Backlog Reduction Project – Phase 2 to the low bidder O'Grady Paving, Inc., in the amount of \$6,806,200, and approval of a 5% contingency in the amount of \$340,000. CEQA: Exempt, File No. PP06-066. Council Districts 1, 2, 5, 6, 8, 9 and 10. (Transportation)
Approved.

2.43 Approval to award the contract for the Surface Transportation Program Street Resurfacing/Rehab Project, Phase 2.

Recommendation: Adoption of a resolution authorizing the City Manager to award the Surface Transportation Program Street Resurfacing/Rehab Project – Round 2 to the low bidder, and approval of a five percent contingency in an amount not to exceed the funds appropriated for the project. CEQA: Exempt, File No. PP06-066. Council Districts 3, 6, 9 and 10. (Transportation/Public Works)

Resolution No. 73916 adopted.

2. CONSENT CALENDAR

2.44 Approval to amend an agreement for parking access and revenue control equipment.

Recommendation: Adoption of a resolution authorizing the Director of Finance to execute the third amendment to the agreement with Scheidt & Bachmann USA, Inc. to extend the term of the agreement through September 30, 2007, revise the statement of work, and reduce the amount of total compensation by \$15,000 from \$2,003,091 to \$1,988,091 for a total agreement amount of \$1,988,091. CEQA: Not a Project. Council District 3. (Finance)

(Deferred from 6/19/07 – Item 2.11)

Resolution No. 73917 adopted.

2.45 Approval of actions related to Workers' Compensation Cost Containment Services.

Recommendation: Adoption of a resolution:

- (a) Authorizing the City Manager to negotiate and execute an agreement with Fair Isaac Corporation to provide workers' compensation cost containment services at a cost not to exceed \$750,000 during the period July 1, 2007 to June 30, 2008, with four one-year options to renew at a cost not to exceed \$750,000 per year, subject to annual appropriation of funds by the City Council; and,
- (b) Authorizing the City Manager to execute a continuation agreement to extend the current agreement with Fair Isaac Corporation for a period of up to three months, in the event negotiations are not finalized by June 30, 2007.

CEQA: Not a Project. (Human Resources)

(Deferred from 6/19/07 – Item 2.20)

Resolution No. 73918 adopted.

2.46 Approval of Council Member Campos' Travel.

Recommendation: Approval of travel by Council Member Campos to Sacramento, CA on September 5-8, 2007 to attend the League of California Cities 2007 Annual Conference Exposition. Source of Funds: Mayor/Council Travel Fund. (Campos)

(Rules Committee referral 6/20/07)

Approved.

2.47 Request for a late arrival for Vice Mayor Cortese.

Recommendation: Request for a late arrival for Vice Mayor Cortese to the Special Rules Committee/Sunshine Reform Task Force Discussion on June 27, 2007 due to Authorized City Business: Attendance at the Metropolitan Transportation Commission in Oakland, CA. (Cortese)

(Rules Committee referral 6/20/07)

Approved.

2. CONSENT CALENDAR

2.48 Approval of Council Member Nguyen's International Travel.

Recommendation: Approval of travel by Council Member Nguyen to India and Pakistan on November 30 – December 14, 2007 to serve as a delegate and speaker for the American Council of Young Political Leaders (ACYPL) International Exchange Program. Source of Funds: The American Council of Young Political Leaders (ACYPL). (Nguyen)
(Rules Committee referral 6/20/07)

Approved.

2.49 Approval to adopt support positions related to the Federal Aviation Administration Reauthorization Bill.

Recommendation: Council is requested to adopt support positions on the following staff recommendations on the Federal Aviation Administration Reauthorization Bill:

- (a) Raise the Passenger Facility Charge (PFC) ceiling from the current \$4.50 per enplaned passenger to \$7.50 per enplaned passenger.
- (b) Streamline the PFC review process and expand the eligibility criteria.
- (c) Increase funding for the Airport Improvement Program.
- (d) Establish and maintain a predictable and stable revenue streams for FAA operating and capital programs.
- (e) Treat airport bonds as tax-exempt public purpose bonds.

CEQA: Not a Project. (Airport)

[Rules Committee Referral 6/13/07 – Item (c)(2)(a)]

Positions of support were approved.

2.50 Acceptance of the following State Legislative Actions.

Recommendation:

- (a) Adoption of a resolution to oppose any change to the Proposition 42 formula allocations or formula splits between the State Transportation Improvement program (STIP), cities, counties and transit. Cities support transit funding, but oppose efforts to change Proposition 42 that could jeopardize or destabilize local streets and road funds. CEQA: Not a Project. (City Manager's Office)

Resolution No. 73919 adopted.

- (b)
 - (1) Authorizing a letter of support to Senator Padilla;
 - (2) Directing staff to pursue amendments to SB 1021 that will strengthen implementation of the bill and allow for increased state funding and fund use; and
 - (3) Authorizing Environmental Services staff to participate as technical resources during the development of future legislation on distribution of redemption payments for beverage containers.

CEQA: Not a Project. (Environmental Services)

[Rules Committee Referral 6/20/07 – Item (c)(1)(a) and (b)]

Approved.

2. CONSENT CALENDAR

2.51 New commission appointments.

Recommendation: As recommended by the Rules and Open Government Committee on June 20, 2007 approve the appointments to the following commissions: Airport, Advisory Commission on Rents, Arts, Disability Advisory, Early Care and Education, Housing and Community Development Advisory, Library, Parks and Recreation, and Senior Citizens Commission. (City Clerk)

[Rules Committee referral 6/20/07 – Item (f)(1)]

Approved.

2.52 Reappointment to the Bay Area Water Supply and Conservation Agency.

Recommendation: As recommended by the Rules and Open Government Committee on June 20, 2007 approve the reappointment of Mayor Chuck Reed to the Bay Area Water Supply and Conservation Agency to fill a four year term ending June 30, 2011. (Mayor)

[Rules Committee referral 6/20/07 – Item (f)(2)]

Approved.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the Rules and Open Government Committee – June 6, 2007

Mayor Reed, Chair

(a) City Council

(1) Review New Add Items to June 12, 2007 Final Agenda

(2) Review June 19, 2007 Draft Agenda

(b) Redevelopment Agency items reported out at Redevelopment Agency meeting

(c) Legislative Update

(1) State

(a) AB 1030 (Caballero) Libraries: Literacy and English Acquisition Services. (Library)

Heard By Council 6/12/07 – Item 3.7.

(b) Propositions 1E and 84. (Environmental Services/City Manager)

Heard By Council 6/12/07 – Item 3.8.

(2) Federal

(d) Meeting Schedules

(e) The Public Record

(f) Appointments to Boards, Commissions and Committees

(g) Rules Committee Reviews, Recommendations and Approvals

(1) Smoking Prohibition in City Parks. (Cortese/Nguyen)

(2) Request for Workload Assessment. (Cortese/Chirco)

(3) Authorization to Travel. (Mayor)

See Item 2.14 for Council Action Taken.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the Rules and Open Government Committee – June 6, 2007 (Cont'd.)

Mayor Reed, Chair

- (g) Rules Committee Reviews, Recommendations and Approvals (Cont'd.)
 - (4) Council Expenditures and Reimbursement Policy
(Continued from 5/23/07)
Deferred to June 13, 2007 per the Mayor
- (h) Review of Council Committee Agendas
 - (1) Community and Economic Development Committee
 - (a) Add item to the CEDC Workplan Agenda of June 25, 2007
 - (2) Neighborhood Services and Education Committee
 - (3) Transportation and Environment Committee
 - (4) Public Safety, Finance and Strategic Support Committee
- (i) Open Government Initiatives
 - (1) Reed Reforms
 - (2) Sunshine Reform Task Force
 - (a) Meeting Schedule for Discussion of SRTF Phase 1 Report
 - (3) Significant Public Records Act Requests
 - (4) Council Policy Manual Update
 - (a) Approval to Validate Selected Policies Contained in the City Council Policy Manual
- (j) Open Forum
- (k) Adjournment

Deferred to 8/7/07, per Mayor under Orders of the Day.

3.2 Report of the Public Safety, Finance and Strategic Support Committee

Council Member Nguyen, Chair

No Report.

3.3 Approval of actions related to the City's Investment Program.

Recommendation:

- (a) Approval of a phased approach relating to recommendations contained in the Macias Consulting Group's Evaluation of the City's Investment Program for additional resource allocations to the Department of Finance to implement active management initiatives in the City's investment program for the purpose of enhancing the City's investment yield.

Approved.

Noes: Oliverio.

3. STRATEGIC SUPPORT SERVICES

3.3 Approval of actions related to the City's Investment Program (Cont'd.)

- (b) Adoption of the following 2007-2008 Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund:
- (1) Increase the appropriation for the Personal Services to the Finance Department by \$105,000;
 - (2) Increase the appropriation for Non-Personal / Equipment to the Finance Department by \$168,000; and
 - (3) Increase the estimate for Other Revenue by \$273,000.

Ordinance No. 28085 adopted.

Resolution No. 73920 adopted.

Noes: Oliverio.

- (c) Authorization by the City Council to add 1.0 FTE Senior Analyst position in the Finance Department to serve in the capacity as an Investment Manager.

CEQA: Not a Project. (Finance)

(Deferred from 6/12/07 – Item 3.6)

Approved.

Noes: Oliverio.

3.4 Approval of actions related to compensation of unrepresented employees.

Recommendation: Adoption of a resolution to:

- (a) Amend the City of San José Pay Plan to provide general salary increases of 3% effective July 1, 2007 for unrepresented employees in Units 81, 82 and 99, excluding Temporary Employees.
- (b) Amend the health insurance co-pays to align all Health Maintenance Organization (HMO) plans currently available to City employees effective January 1, 2008.
- (c) Increase the monthly vehicle allowance for Senior Staff under the City Manager's appointing authority from \$350 to \$600 effective July 1, 2007.
- (d) Amend the City of San José Pay Plan effective July 1, 2007 to change the salary ranges and titles for the classifications of:
 - (1) Secretary to the City Manager U (1162).
 - (2) Emergency Preparedness Director U (2341).
 - (3) Manager of Public Education and Community Information U (1671).(These changes will not result in automatic salary increases for employees in these classifications.)
- (e) Amend the City of San José Pay Plan to provide total compensation increases of 3% effective July 1, 2007 for Council Appointees. (Mayor)

(Rules Committee referral 6/13/07)

CEQA: Not a Project. (City Manager's Office)

Resolution No. 73921 adopted, as amended. The memorandum from Mayor Reed dated June 18, 2007, was approved, amending the City of San José Pay Plan to provide a base salary increase of 3% and no increase in auto allowance effective July 1, 2007 for Council Appointees and unrepresented employees in Units 81, 82 and 99, excluding temporary employees and the City Manager.

Noes: Campos.

3. STRATEGIC SUPPORT SERVICES

3.5 Acceptance of the City's Administrative Project System Database Report.

Recommendation:

- (a) Acceptance of the City's Administrative Project System (CAPS) Database Report, which includes a Remove Projects Report, a Completed Projects Report and an Active Projects Report.

Report Accepted.

- (b) Acceptance of the list of recommended project removals from departmental workplans per the following March Budget directive: *Direction to the City Manager to make recommendations on prioritizing and possibly eliminating old Council directives and report to Council.*

CEQA: Not a Project. (City Manager's Office)

Accepted, with Staff directed to place the Relocation of the Salvation Army back on the active projects list and continue to find another appropriate site location.

3.6 Public hearing and approval of the Director of Finance's Report on the Cost of Sidewalk Repairs.

Recommendation: Public Hearing and adoption of a resolution approving the report of the Director of Finance on the Cost of Sidewalk Repairs, confirming the assessments contained in the Report and directing the recording of liens on the property tax roll for the cost of sidewalk repairs. CEQA: Not a Project. (Finance)

The Public Hearing was held.

Resolution No. 73922 adopted.

3.7 Approval of actions related to an exception to the Prevailing Wage Rate Policy for Sidewalk Repairs.

Recommendation:

- (a) Adoption of a resolution establishing an exception to the prevailing wage rate policy for sidewalk repairs performed by the City on behalf of property owners for which the City is reimbursed by property owners, until June 30, 2008.

No action.

- (b) Authorize the Director of Finance to execute Purchase Orders with Willson Concrete, Duran Hogan Construction, Inc., and Valley Concrete & Redwood for a total not-to-exceed amount of \$500,000, for the period July 1, 2007 through June 30, 2008 with non-prevailing wage rates.

CEQA: Exempt, File No. PP03-04-139. (Finance/Transportation)

Approved, as amended (pay prevailing wage rates).

Noes: Constant.

(Item continued on the next page)

3. STRATEGIC SUPPORT SERVICES

3.7 Approval of actions related to an exception to the Prevailing Wage Rate Policy for Sidewalk Repairs (Cont'd.)

The memorandum from Vice Mayor Cortese and Council Members Campos, Williams and Chu, dated June 22, 2007, was approved, as amended, with Staff directed to:

- (1) Follow the City's Prevailing Wage Resolution and incorporate the prevailing wage requirement for all sidewalk repairs performed or contracted by the City, including those repairs performed on behalf of property owners for which the City is reimbursed by the property owners.
- (2) Award purchase orders for FY2007-08 sidewalk repair projects based on paying prevailing wage.
- (3) Bid contracts for future sidewalk repairs based on the City's prevailing wage policy.
- (4) Incorporate into notices to the public language that clearly explains the status of the City's prevailing wage policy and forward it to the Neighborhood Services and Education Committee for consideration.

Noes: Constant.

3.8 Appointment of Acting City Manager for July 8-July 22, 2007.

Recommendation:

- (a) Appointment of Chief Deputy City Manager Kay Winer as Acting City Manager beginning July 8 through July 13, 2007.
- (b) Appointment of Deputy City Manager Ed Shikada as Acting City Manager beginning July 14 through July 22, 2007.

(Mayor)

(Rules Committee referral 6/13/07)

Approved.

3.9 Report of the Rules and Open Government Committee – May 23, 2007

Mayor Reed, Chair

(a) City Council

- (1) Review New Add Items to May 29, 2007 Agenda
None – Meeting Canceled.

- (2) Review June 5, 2007 Draft Agenda

(a) Add New Items to final agenda

- (1) City Manager Compensation. (Mayor)
Heard By Council 6/5/07 – Item 3.10.

- (2) Elections Commission Recommendation to Change Special Eligibility Requirement that One Member of the Elections Commission Be an Attorney at Law. (City Clerk)
Heard By Council 6/5/07 – Item 3.6.

- (3) Vietnamese Business District Designation. (Nguyen/Mayor)
Heard By Council 6/5/07 – Item 9.1.

- (b) Redevelopment Agency items reported out at Redevelopment Agency meeting

3. STRATEGIC SUPPORT SERVICES

3.9 Report of the Rules and Open Government Committee – May 23, 2007 (Cont'd.)

Mayor Reed, Chair

(c) Legislative Update

(1) State

- (a) AB 1252 (Caballero) – Housing Related Parks Program. (Housing)
- (b) AB 1460 (Saldana) – Multifamily Housing Program. (Housing)
- (c) SB 46 (Perata) – Proposition 1C Regional Planning, Housing, and Incentive Account. (Housing)
- (d) SB 586 (Dutton) – Proposition 1C Innovation Fund. (Housing)

Heard By Council 6/5/07 – Item 3.8.

(2) Federal

(d) Meeting Schedules

(e) The Public Record

(f) Appointments to Boards, Commissions and Committees

(g) Rules Committee Reviews, Recommendations and Approvals

- (1) Council Expenditures and Reimbursement Policy. (City Clerk/City Attorney/Finance)
(Continued from 5/16/07)

- (2) Approve the revised Commission/Liaison Code of Conduct Policy. (City Attorney)

Heard By Council 6/19/07 – Item 2.5.

- (3) Response to the Macias Consulting Group's Report on the Finance Department's Investment Unit and the Finance Department's Response. (City Auditor)

- (4) Discussion of Cost Neutral Opportunities for a Public Safety Memorial at New City Hall with Direction to Implement Memorial and Process for Accepting Private Sponsorship. (Constant/Pyle)

(h) Review of Council Committee Agendas

- (1) Community and Economic Development Committee
- (2) Neighborhood Services and Education Committee
- (3) Transportation and Environment Committee
- (4) Public Safety, Finance and Strategic Support Committee

(i) Open Government Initiatives

- (1) Reed Reforms
- (2) Sunshine Reform Task Force
- (3) Significant Public Records Act Requests
- (4) Council Policy Manual Update
 - (a) Approval to Validate Selected Policies Contained in the City Council Policy Manual. (City Manager)

Heard By Council 6/19/07 – Item 2.6 (a)-(c).

(j) Open Forum

(k) Adjournment

(Deferred from 6/12/07 – Item 3.1 and 6/19/07 – Item 3.1)

Deferred to 8/7/07, per Mayor under Orders of the Day.

3. STRATEGIC SUPPORT SERVICES

3.10 Report of the Rules and Open Government Committee – May 30, 2007

Mayor Reed, Chair

- (a) City Council
 - (1) Review New Add Items to June 5, 2007 Agenda
 - (2) Review June 12, 2007 Draft Agenda
- (b) Redevelopment Agency items reported out at Redevelopment Agency meeting
- (c) Legislative Update
 - (1) State
 - (a) SB 966 (Simitian and Kuehl) – Pharmaceutical Drug Disposal
Heard By Council 6/5/07 – Item 3.12.
 - (2) Federal
- (d) Meeting Schedules
 - (1) Council Meeting Schedule August 2007 – January 2008
 - (2) (1) Review two proposed meeting formats as presented by the Independent Police Auditor and the Administration; (2) Approve one of the proposed formats, or a hybrid of the two proposals, for a Special Council Meeting scheduled on June 21, 2007, beginning at 6:00 p.m., in the City Council Chambers for consideration of various police related reports,
- (e) The Public Record
- (f) Appointments to Boards, Commissions and Committees
 - (1) Amendment to the Residency Requirement of the News Media Member of the Sunshine Reform Task Force and Appointment of Bert Robinson to the Sunshine Task Force. (Mayor)
Heard By Council 6/5/07 – Item 3.13.
- (g) Rules Committee Reviews, Recommendations and Approvals
 - (1) Approve Travel Request. (Mayor)
Heard By Council 6/19/07 – Item 2.24.
 - (2) Historic Freedom Shrine Display. (Mayor)
 - (3) Approve the use of the District 4 Special Event Fund and to acknowledge the receipt of and use of various donations in support of the Community Resource Fair to be held on Sunday, June 3, 2007 in the City Hall Civic Plaza and Rotunda. (Mayor/City Clerk)
- (h) Review of Council Committee Agendas
 - (1) Community and Economic Development Committee
 - (2) Neighborhood Services and Education Committee
 - (3) Transportation and Environment Committee
 - (4) Public Safety, Finance and Strategic Support Committee
- (i) Open Government Initiatives
 - (1) Reed Reforms
 - (2) Sunshine Reform Task Force
 - (a) Phase I Report and Open Government Recommendations
 - (3) Significant Public Records Act Requests
 - (4) Council Policy Manual Update
 - (a) Approval to Validate Selected Policies Contained in the City Council Policy Manual. (City Manager)
Heard By Council 6/19/07 – Item 2.6 (d)-(f).

3. STRATEGIC SUPPORT SERVICES

3.10 Report of the Rules and Open Government Committee – May 30, 2007 (Cont'd.)

Mayor Reed, Chair

(j) Open Forum

(k) Adjournment

(Deferred from 6/19/07 – Item 3.2)

Deferred to 8/7/07, per Mayor under Orders of the Day.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Report of the Community & Economic Development Committee

Council Member Pyle, Chair

No Report.

4.2 Approval of various actions related to the Coyote Valley Specific Plan.

Recommendation: Approval to take the following actions to continue funding for the preparation of the Coyote Valley Specific Plan, and its related environmental documents and regulatory permits:

- (a) Approval of the third amendment to the Amended and Restated Funding and Reimbursement Agreement with Coyote Housing Group, LLC for the work associated with the preparation of the Coyote Valley Specific Plan, related environmental documents, and regulatory permits to extend the term from June 30, 2007 to December 31, 2007 including a provision for the Director of the Planning, Building and Code Enforcement to extend the term in writing by one additional six (6) month increment; and increase the amount of funding to cover staff and consultant costs through December 31, 2007 by approximately \$1.25 million for a total of \$17.20 million.

Approved, as amended (funding amendment reduced to \$1.21M).

Noes: Liccardo, Nguyen, Oliverio.

- (b) Adoption of a resolution authorizing the Director of Planning, Building and Code Enforcement to negotiate and execute minor amendments to the agreements between the City and Dahlin Group, KenKay Associates, Economic and Planning Systems, Apex Strategies, David J. Powers and Associates, Wetland Research Associates, Schaaf and Wheeler, Hexagon Transportation Consultants, ENGEO, Basin Research Associates and Lowney Associates to extend the term of each of the agreements from June 30, 2007 to December 31, 2007 including a provision for the Director to extend the terms in writing by one additional six (6) month increment.

Resolution No. 73924 adopted.

Noes: Liccardo, Nguyen, Oliverio.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.2 Approval of various actions related to the Coyote Valley Specific Plan (Cont'd.)

- (c) Adoption of a resolution authorizing the Director of Planning, Building and Code Enforcement to negotiate and execute a Consultant Agreement between the City and HMM Engineers for \$50,000 for consultant services for the CVSP for the term of December 31, 2007, including a provision for the Director of Planning, Building and Code Enforcement to extend the term in writing by one additional six (6) month increment.

Resolution No. 73925 adopted.

Noes: Liccardo, Nguyen, Oliverio.

- (d) Authorize the Director of Planning, Building and Code enforcement to send out a Request for Qualifications for the development of form-based zoning to implement the CVSP for an amount not to exceed \$85,648.

Approved.

Noes: Liccardo, Nguyen, Oliverio.

- (e) Adoption of a resolution authorizing the City Attorney to negotiate and execute a Legal Services Agreement between the City and Cox, Castle and Nicholson LLP for legal services on the Coyote Valley Specific Plan for \$270,000 for the term of January 1, 2007 through December 31, 2007, including a provision for the City Attorney to extend the term in writing by one additional six (6) month increment.

Resolution No. 73926 adopted.

Noes: Liccardo, Nguyen, Oliverio.

- (f) Adoption of the following amendments to the 2007-2008 annual Appropriation Ordinance and Funding Sources Resolution Amendments in the General Fund as follows:

- (1) Increase the City-Wide appropriation for the Coyote Valley Specific Plan by \$1,250,000; and
- (2) Increase earned revenue from Other Revenue by \$1,250,000.

CEQA: Exempt, File No. PP03-06-211. Council District 2. (Planning, Building and Code Enforcement/City Manager's Office)

Heard immediately following Item 4.3.

Ordinance No. 28086 adopted.

Resolution No. 73927 adopted.

Noes: Liccardo, Nguyen, Oliverio.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.3 Approval to initiate the Envision San José 2040 General Plan Update.

Recommendation: Approval to initiate the Envision San José 2040 General Plan Update by approving the proposed Guiding Principles, Work Program, and Community Participation Program. CEQA: Not a Project. (Planning, Building and Code Enforcement) **The memorandum from Mayor Reed, dated June 22, 2007, was approved, with the following clarifications:**

- (1) Adoption of the Guiding Principles, confirmed by the City Council on May 3, 2007 and outlined on Attachment A of the Staff report.**
- (2) Approve the Staff proposed work program which outlines the tasks to be undertaken between July 2007 and February 2010. As discussed at the May 3, 2007 Study Session, manage the work schedule in a way that delivers good results from Phase I by August 2008.**
- (3) Direct Staff to complete the work on the Coyote Valley Specific Plan and the EIR assuming existing Prerequisite Conditions, and acknowledge that the General Plan triggers for development in Coyote Valley shall only be considered for modification as part of the comprehensive General Plan Update.**
- (4) Approve the Community Participation Program as described in the Staff report.**
- (5) Create an Envision San José Task Force consisting of San José citizens, as outlined below, which reflects the diversity of the community, to prepare a document that will be used to guide the decisions for many years in the future. Recommend the Task Force consist of the following members:**
 - (a) 2 Co-Chairs**
 - (b) 2 City Council Members**
 - (c) 2 City Commissioners**
 - (d) 10 City Council District Representatives, designated by Council Members.**
 - (e) 18 Community members representing neighborhoods, business, labor, land owners, developers, education, environment, ethnic and faith communities and other stakeholders.**

Council colleagues requested to help Mayor Reed gather the names of leaders in the Community to serve on the Task Force. Each Council Member requested to provide the name of their District Representative to the Mayor's Office by July 13, 2007, along with the names of candidates for any of the other categories of stakeholders listed previously.

Mayor Reed will finalize the recommendations for the Task Force membership and submit the names to City Council for approval on August 7, 2007. The Task Force will be expected to begin work on the General Plan Update immediately afterwards.

(10-1. Noes: Oliverio.)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.4 Approval of refund of construction taxes to certain development partners

Recommendation: Approval of refunds and fee overpayments to Block 3 Development Partners (\$1,030,212.51) and Wilcox LLC (\$51,050.57) in a total amount of \$1,081,263.08 for construction taxes erroneously collected pursuant to certain sections the San José Municipal Code. CEQA: Not a Project. (Planning, Building and Code Enforcement)

Approved.

4.5 Approval of actions related to the Evergreen Development Policy.

Recommendation: Acceptance of the proposed work plan to update the Evergreen Development Policy consistent with the Council's actions on May 15, 2007, and provide input on phasing/trigger options. CEQA: Not a Project. Council Districts 5, 7 and 8. SNI: West Evergreen/K.O.N.A/East Valley/680. (Planning, Building and Code Enforcement) (Deferred from 6/19/07 – Item 4.8)

The memorandums from Vice Mayor Cortese and Council Member Liccardo, and from Mayor Reed, both dated June 22, 2007 were approved, as amended:

- (1) **Direct Staff to bring forward amendments to the Evergreen Development Policy (EDP) that establish a maximum allocation pool of 500 units allowing for:**
 - (a) **Development of infill properties for up to 35 units or less. Staff should provide policy language that will prohibit “clustering” and other attempts to transfer or exploit the allocation process while subdividing existing parcels.**
 - (b) **Development of affordable housing projects.**
 - (c) **Incorporation of the EEHVS Guiding Principles.**
 - (d) **Incorporation of the EEHVS amenities list.**
 - (e) **Direction to Staff to bring forth a proposed traffic impact fee for the pool units as described in (1)(a) and (b); and,**
 - (f) **Direction to Staff to analyze and make recommendations as to the circumstances under which the Council might exempt any project which offers unique opportunities to leverage developer resources to accomplish desirable historic preservation.**
- (2) **Direct Staff to NOT bring back amendments to the EDP [beyond Recommendation (1)] for further residential development beyond the 500 “pool” units until:**
 - (a) **The employment capacity contemplated in the Evergreen Specific Plan to be provided by the industrial lands has been filled. As part of this trigger, a traffic study should verify that a recirculation of traffic patterns to foster a reverse commute is in fact occurring as prescribed in the current EDP; OR**

(Item continued on the next page)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.5 Approval of actions related to the Evergreen Development Policy (Cont'd.)

- (2) (b) Staff has a bona fide plan prepared that can fully accomplish those requirements set forth in the Guiding Principles concurrent with development, including full funding for the entire 101 corridor project and all other traffic infrastructure requirements within the study area and “fair share” funding for those items recommended in the EEHVS amenities list.
- (3) Staff should continue to discourage residential development applications (a policy adopted by the City Council in January 2004) including general plan amendments which do not conform to the EDP and the direction noted above on Page 31.
- (4) Staff is directed to return to Council with policies that encourage development of employment producing lands and quality commercial/retail opportunities. Such opportunities are not restricted under the EDP and that should continue to be the case with the exception of future supermarket developments in Southeast Evergreen; and may include a housing component using “pool” units as an incentive to retail development (i.e. commercial pedestrian/mixed use projects).
- (5) Staff should return to Council prior to the Fall General Plan Hearings with a policy (or amendment to the EDP) that addresses future supermarket development (over 20,000 square feet) in Southeast Evergreen that should take into account the use of market studies, potential growth and the possibility of loss of existing supermarket square footage.
- (6) Projects should pay a fair price traffic mitigation impact fee based on an updated nexus study and drawn from a pool generated by job creation in Evergreen at the rate of 1 housing unit per 2 new jobs (similar to North San José and Coyote Valley) and that Staff could cap the units at 3,900 and return to Council with the increments they recommend.
- (7) Projects which voluntarily pay a pro rata share of the cost of the infrastructure and amenities package, may be considered “as part of a bona fide plan as presented by Staff”.
- (8) Staff to return with a deeper analysis of small projects that have less than a 1% impact of the traffic on any intersection (similar to the rest of the City) and how that would stack up with limitations as previously outlined.

5. NEIGHBORHOOD SERVICES

5.1 Report of the Neighborhood Services and Education Committee – June 14, 2007 Council Member Chirco, Chair

- (a) Review of Performance Measure Reporting. (CMO)
The Committee accepted the report.
- (b) Evaluation of Second Unit Pilot Program. (PBCE/Housing)
Deferred to August 2007.
- (c) Report of Parks and Affordable Housing. (PRNS/Housing/CMO)
- (d) Report on Proposition 1C. (Housing/CMO)
- (e) Strong Neighborhoods Monthly Update. (CMO)
 - (1) Update on Pilot Projects
The Committee accepted the report.
- (f) Animal Care and Services Bi-annual Update. (PRNS)
The Committee accepted the report.
- (g) Report on San José Bringing Everyone's Strength Together (BEST) Resource Allocation Strategy for FY 2007-08. (PRNS)
The Committee accepted the report.
- (h) Schools/City Collaborative Monthly Update. (CMO)
 - (1) Proposed Structure and Priorities
The Committee accepted the report.
- (i) Update on Council Directives
There were none.
- (j) Oral Petitions
None were presented.
- (k) Adjournment
The meeting was adjourned at 2:38 p.m.

The Neighborhood Services and Education Committee Report and the Actions of June 14, 2007, were accepted.

5. NEIGHBORHOOD SERVICES

5.2 Approval of an agreement for the Safety Improvement Project at Los Lagos Golf Course.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute an agreement with Los Lagos Golf Course, LLC, for the construction of the Safety Improvement Project at Los Lagos Golf Course in the amount not to exceed \$1,958,125. CEQA: Resolution No. 69623, File No. PP06-102. Council District 7. (Parks, Recreation and Neighborhood Services)

Resolution No. 73928 adopted.

Noes: Oliverio.

5.3 Approval to name a park.

Recommendation: As recommended by the Parks and Recreation Commission, name a new park located on Communications Hill at the intersection of Senhorina Street and Adeline Avenue as “Vieira Park”. (City Clerk)
(Rules Committee referral 6/20/07)

Approved.

6. TRANSPORTATION & AVIATION SERVICES

6.1 Report of the Transportation and Environment Committee Council Member Williams, Chair No Report.

6.2 Report on bids and award of contract to purchase Passenger Boarding Bridges for the Airport.

Recommendation: Report on bids and award for the purchase of twenty-three (23) Passenger Boarding Bridges to the low bidder, FMC Technologies (Ogden, UT), for a total amount not to exceed \$11,057,724 including tax and authorizing the Director of Finance to:

- (a) Execute the purchase order for the initial purchase of 23 bridges;
- (b) Amend the initial purchase order or execute additional purchase orders to purchase additional quantities of Passenger Boarding Bridges and/or Passenger Boarding Bridge components on an as-required basis subject to appropriation of funding.

CEQA: Not a Project. (Finance)

Approved.

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 Acceptance of Status Report on the Recycle Plus Transition.

Recommendation: Acceptance of Status Report on the Recycle Plus Transition. CEQA: Not a Project. (Environmental Services)

Report accepted, Staff requested to note in the future the names of newspapers used for outreach.

7.2 Approval of actions related to the Water Pollution Control Plant Reliability Improvements Project.

Recommendation: Approval of a contingency budget increase for the project entitled, “San José/Santa Clara Water Pollution Control Plant Reliability Improvements Project,” by \$2,000,000 from \$6,952,200, to a total contingency budget of \$8,952,200, with no change to the term of contract with Kiewit Pacific Company. CEQA: Exempt, File Nos. PP03-05-183 and PP04-07-217. (Environmental Services)

Approved.

7.3 Administrative Hearing and approval of actions related to the Household Hazardous Waste Collection Facility.

Recommendation:

- (a) Administrative Hearing on an appeal of the Planning Commission’s certification of a Final Environmental Impact Report prepared for the San José Household Hazardous Waste Collection Facility involving relocation of the household hazardous waste drop off facility previously located at the City of San José’s Central Service Yard (1661 Senter Road). Proposed on-site activities consist of collection of household hazardous wastes such as paint, solvents, and motor oil from members of the public approximately eight days per month and temporary storage of the collected materials in prefabricated storage containers. Proposed site changes include new and relocated storage containers and creation of a driveway. The project site is a currently vacant, 1.8-acre portion of a 4.2-acre City-owned parcel located at the corner of Las Plumas Avenue and Nipper Avenue (1608 Las Plumas Avenue). Director of Planning, Building and Code Enforcement and Planning Commission (by a 5-2-0 vote, Campos and Platten opposed) recommend certification of the FEIR.

CEQA Resolution No. 73929 adopted.

Noes: Campos, Pyle.

(Item continued on the next page)

7. ENVIRONMENTAL & UTILITY SERVICES

7.3 Administrative Hearing and approval of actions related to the Household Hazardous Waste Collection Facility (Cont'd.)

- (b) Adoption of the following amendments to the 2007-2008 Annual Appropriation Ordinance in the Integrated Waste Management Fund in order to relocate the San José Household Hazardous Waste Collection Facility to 1608 Las Plumas Avenue:

- (1) Increase the Environmental Services Non-Personal/Equipment appropriation by \$1,350,000.00.
- (2) Decrease the Unrestricted Fund Balance by \$1,350,000.00.

CEQA: File No. PP06-100; Resolution to be Adopted. Council District 3. SNI: Five Wounds/Brookwood Terrace. (Environmental Services/City Manager's Office)

Ordinance No. 28087 adopted.

Staff directed to concurrently conduct additional outreach over the next 60 days, as follows:

- (1) **Contact personally residents in apartment buildings located along 590 King Road (1,400 feet from site), and at 33rd and Mabury Way.**
- (2) **Notify all individuals who signed the petition submitted by PACT.**
- (3) **Prepare outreach information in multiple languages.**
- (4) **Collaborate with Trish Shelton to develop an ongoing plan to inform parents of children at the shelter about how to take necessary precautions.**
- (5) **Apply SNI "best practices" for door to door outreach.**

Noes: Campos.

7.4 Approval of San José Municipal Water System Potable Water Rates and Charges.

Recommendation:

- (a) Adoption of a resolution increasing the San José Municipal Water System (SJMWS) potable water rates and charges by 7.3% effective July 1, 2007. CEQA: Not a Project. Council Districts 2, 4, 7 and 8. (Environmental Services)

Resolution No. 73930 adopted, as amended.

Noes: Chu, Cortese, Liccardo.

- (b) Direction to staff to include options for elimination or multi-year phase out of the Enterprise In-Lieu and Rate of Return transfers from the Water Utility Fund to the General Fund, during the 2008-2009 budget process.

CEQA: Not a Project. Council Districts 2, 4, 7 and 8. (City Manager's Office)
(Deferred from 6/19/07 – Item 7.6)

Approved.

Noes: Chu, Cortese, Liccardo.

(Item continued on the next page)

7. ENVIRONMENTAL & UTILITY SERVICES

7.4 Approval of San José Municipal Water System Potable Water Rates and Charges (Cont'd.)

The memorandum from Mayor Reed, dated June 22, 2007, was approved as follows:

- (1) Approve the Staff recommendation to increase the San José Municipal Water System (SJMWS) potable water rates and charges by 7.3% effective July 2007.
- (2) Direct Staff to complete a cost study to validate transfers from SJMWS to the General Fund.
- (3) Upon completion of the cost study, direct Staff to review all assumptions, financial and non-financial, made when the City Council declined to sell or lease SJMWS and report back to the City Council on the impacts of the cost study on those assumptions.
- (4) Direct Staff to analyze and report what effect the absence of “rate on return” and “in-lieu fee” transfers from the Water Utility Fund to the General Fund would have on the balance of the General Fund.
- (5) Direct Staff to analyze and report on the consequences to the General Fund and the Water Utility Fund if SJMWS potable water rates and charges are not increased.

Noes: Chu, Cortese, Liccardo.

8. PUBLIC SAFETY SERVICES

9. JOINT COUNCIL/REDEVELOPMENT AGENCY

The Redevelopment Agency Board convened at 10:51 p.m. to consider Items 9.1, 9.2 and 9.3 in a Joint Session.

9.1 Approval of actions related to investments in the Local Agency Investment Fund.

Recommendation:

- (a) Adoption of a resolution of the City Council authorizing the Director of Finance and other authorized officers of the City, who routinely conduct investment management activity on behalf of the city, to order the deposit or withdrawal of monies in the Local Agency Investment Fund on behalf of the City.

Resolution No. 73931 adopted.

- (b) Adoption of a resolution by the Redevelopment Agency Board authorizing the Director of Finance and other authorized officers of the City, who routinely conduct investment management activity on behalf of the Agency, to order the deposit or withdrawal of monies in the Local Agency Investment Fund on behalf of the Redevelopment Agency.

CEQA: Not a Project. (City Manager's Office/Redevelopment Agency)

Redevelopment Agency Resolution No. 5765 adopted.

9. JOINT COUNCIL/REDEVELOPMENT AGENCY

9.2 Approval of Cooperation Agreements between the City and the Redevelopment Agency.

Recommendation: City Council and Redevelopment Agency approval of the Fiscal Year 2007-2008 Cooperation Agreements between the City of San José and the Redevelopment Agency for (1) Capital Improvement Projects in the Merged Redevelopment Area; and (2) the operating expenses. CEQA: Not a Project. (City Manager's Office/Redevelopment Agency)

Approved.

9.3 Approval of various actions relating to the FY 2006-2007 appropriations resolutions, amendments to the FY 2006-2007 Adopted Budgets and Graffiti Removal Program Findings.

Recommendation: Adoption of Redevelopment Agency Board resolutions:

- (a) Approving amendments to the FY 2006-07 Adopted Budget to reflect various modifications to the FY 2006-07 revenue resolution, Operating and Capital Budgets, and amending the FY 2006-07 Agency appropriation resolution; and,
Redevelopment Agency Resolution No. 5766 adopted.

- (b) Approving amendments to the FY 2007-08 Proposed Budget; and,
Redevelopment Agency Resolution No. 5767 adopted.

- (c) Adopting the FY 2007-08 Revenue and Appropriations Resolutions for the Operating and Capital Budgets, and authorizing the Executive Director to rebudget FY 2006-07 remaining project appropriation balances for on-going projects/programs previously approved by the Agency Board; and,
Redevelopment Agency Resolution Nos. 5768 and 5769 adopted.

- (d) Making certain determinations regarding the expenditure of Agency funds to eradicate graffiti.

CEQA: Not a Project. (Redevelopment Agency)

Redevelopment Agency Resolution No. 5770 adopted.

- **Notice of City Engineer's Pending Decision on Final Maps**

In accordance with Sec. 19.16.140d of the San José Municipal Code, this is notice of the City Engineer's pending decision on the following Final Maps:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>	<u>Proposed Decision</u>
9531	Southwest corner of Rue Mirassou and Mosher Drive	8	Pinn Brothers Construction, Inc.	56 Lots / 51 Units	Single Family Detached	Approve
9861	East side of Cross Way, 150 feet north of Willow Glen Way	6	Shwe Groups LLC	1 Lot / 10 Units	Multi-Family Attached	Approve
9913	Southwest corner of Flanigan Drive and Fontaine Road	7	H & L Investments, LLC	1 Lot / 16 Units	Convert Apartments to Condos	Approve

- **Notice of City Engineer's Pending Decision on Final Maps**

In accordance with Sec. 19.16.140d of the San José Municipal Code, this is notice of the City Engineer's receipt of the following Final Maps for review:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>
9926	North side of Rock Avenue, 450 feet west of Oakland Road	4	DeMattei Development Inc.	1 Lot / 18 Units	Single Family Attached

- **Notice of City Engineer's Award of Construction Projects**
None.

- **Open Forum**

- (1) **Mark Trout expressed religious viewpoints.**
- (2) **Robert Apgar shared personal observations.**

- **Adjournment**

The Council of the City of San Jose was adjourned at 10:57 p.m. in memory of Bernice Gourd, a very active and compassionate resident of the West Evergreen Strong Neighborhoods Initiative area who was relentless in advocating for safe neighborhoods for our youth.

In memory of the nine fallen firefighters in South Carolina who sacrificed their lives for the safety of others. (Mayor)

**CITY OF SAN JOSÉ PARKING AUTHORITY
AGENDA**

11:11 P.M. TUESDAY, JUNE 26, 2007 CHAMBERS

1 CALL TO ORDER AND ROLL CALL

11:11 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Members: None.

2 APPROVAL OF MINUTES

2.1 Minutes of June 6, 2006
 Approved.

3 OLD BUSINESS

There was none.

4 NEW BUSINESS

There was none.

5 ADJOURNMENT

The meeting was adjourned at 11:12 p.m.

8. JOINT REDEVELOPMENT AGENCY ITEM

The Joint Redevelopment Agency Board convened at 11:00 p.m. to consider Items 8.1, 8.2 and 8.3 in a Joint Session.

8.1 Approval of an Amended and Restated Cooperation Agreement with the Mexican Heritage Corporation.

Recommendation: Redevelopment Agency Board and City Council approval of the Amended and Restated Cooperation Agreement with the Mexican Heritage Corporation, related to a \$1,000,000 grant from the State of California Historical and Cultural Resources Preservation Opportunity Grant Program, clarifying the roles and responsibilities of each party in bidding and awarding contracts and for distribution of funds from the State grant program. CEQA: Not a project. [ALUM ROCK]

Approved.

8.2 Approval of an Exclusive Negotiations Agreement for development of the Japantown Corporation Yard and Parking Lot project.

Recommendation: City Council and Redevelopment Agency Board approval of an Exclusive Negotiations Agreement with First Community Housing and Williams & Dame, for the development of the Japantown Corporation Yard and Parking Lot project generally located at Sixth and Taylor Streets, with a term through December 26, 2008. CEQA: Exempt. File No. PP-07-086. [JAPANTOWN]

Approved, with Staff directed, when negotiating the Disposition and Development Agreement, undertake to incorporate those elements of the previously established community amenities priorities that apply with respect to the Japantown Corporation Yard and Parking Lot project, which priorities are summarized as:

- (1) Develop the Corporation Yard as a catalyst to revitalize Japantown.**
- (2) Find a permanent location for San Jose Taiko.**
- (3) Establish a senior wellness and youth center.**
- (4) Implement a comprehensive Japantown retail strategy.**
- (5) Implement a parking strategy.**
- (6) Ensure historical and cultural preservation**
- (7) Revisit the Jackson Taylor strategy.**

8.3 City Council and Redevelopment Agency Board actions related to agreements, amendments or termination of the following child care facility agreements.

Recommendations:

- (a) City Council and Redevelopment Agency Board approval of an agreement with Charities Housing for child care, providing for an Agency contribution of \$500,000 toward Charities Housing's renovation of a portion of the Paseo Senter Plaza housing development and for Charities Housing's covenants to operate the renovated portions with Smart Start operating standards; and,
Deferred per Orders of the Day.**

8. JOINT REDEVELOPMENT AGENCY ITEM

8.3 City Council and Redevelopment Agency Board actions related to agreements, amendments or termination of the following child care facility agreements (Cont'd.)

- (b) City Council and Redevelopment Agency Board approval of an agreement with MACSA for child care, providing an Agency contribution of \$500,000 towards MACSA's renovation of a portion of the MACSA Youth Center and for MACSA's covenants to operate the renovated portions with Smart Start operating standards; and,

Approved.

- (c) City Council and Redevelopment Agency Board approval of an amendment to the terms of the agreement with SJB (formerly San Juan Bautista) Child Care Development pertaining to the Child Development Center at Terrylin Avenue at no additional cost; and,

Approved.

- (d) City Council and Redevelopment Agency Board approval to terminate the agreement with Kidango, in the amount of \$410,670, pertaining to child development services at Arbuckle Elementary; and,

Agreement terminated.

- (e) City Council and Redevelopment Agency Board approval to terminate the agreement with SJB (formerly San Juan Bautista) Child Care Development, in the amount of \$150,000, for the Child Development Center located at Cassel Elementary School.

Agreement terminated.

CEQA: Charities Housing Childcare Agreement: Addendum to a Negative Declaration for Paseo Senter at Coyote Creek File No. PDC03-057 & PP07-138. MACSA Childcare Agreement: Exempt. File No. PP07-140. San Juan Bautista Childcare at Terrilyn Agreement Amendment: Not a Project. Kidango Childcare Agreement Termination: Not a Project. San Juan Bautista Childcare at Cassel Elementary Agreement Termination: Not a Project. [MERGED]

The Council of the City of San José, and Redevelopment Agency Board adjourned at 11:10 p.m.